

Decision No. 30260

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of }  
ASSOCIATED TELEPHONE COMPANY, LTD., }  
a corporation, for an order author- }  
izing it to issue and sell common and }  
preferred stock. }

Application No. 21421

ORIGINAL

BY THE COMMISSION:

FIRST SUPPLEMENTAL ORDER

The Commission by Decision No. 30163 dated September 27, 1937 gave the Associated Telephone Company, Ltd. conditional authority to issue 36,515 shares of its no par value common stock and 36,688 shares of its no par value, \$1.25 series, of preferred stock. The order of the Commission provides that the authority granted therein will not become effective until the Commission has fixed the price at which the stock may be sold.

In a supplemental petition filed on October 16, 1937 in the above entitled matter applicant asks permission to issue said 36,515 shares of its no par value common stock to General Telephone Corporation in exchange for, and upon, cancellation of the claim of General Telephone Corporation represented by indebtedness owing to it by Associated Telephone Company, Ltd. Applicant proposes to issue the common shares of stock in such exchange at the rate of one share for each \$25. of indebtedness cancelled. The issue of the common stock in payment of indebtedness was part of the original petition filed in Application No. 21421. A public hearing was had on said application on September 10, 1937 before Examiner Fankhauser. All persons to whom applicant proposed to issue said stock or any one else interested in the issue of said stock had a right to appear at such hearing. No one appeared at the hearing to protest the issue of the stock.

During the hearing and subsequent thereto, due consideration was given to the fairness of the terms and conditions of the issuance and exchange of the stock, and Decision No. 30163 dated September 27, 1937 entered.

The Commission is of the opinion that said decision should be modified, as requested by applicant, therefore,

IT IS HEREBY ORDERED that the order in Decision No. 30163 dated September 27, 1937 be, and the same is hereby, amended so as to permit Associated Telephone Company, Ltd. to issue prior to November 15, 1937, 36,515 shares of its no par value common stock to General Telephone Corporation in exchange for and upon cancellation of \$912,875. of indebtedness owing by Associated Telephone Company, Ltd. to General Telephone Corporation, such indebtedness to be so cancelled at the rate of \$25. for each common share of stock issued in such exchange.

IT IS HEREBY FURTHER ORDERED that the order in Decision No. 30163 dated September 27, 1937 shall remain in full force and effect, except as amended by this First Supplemental Order.

DATED at San Francisco, California, this 25<sup>th</sup> day of October, 1937.

William H. Brown  
Leon A. White  
James R. H. H. H.  
Robert A. H. H.  
Wm. L. H. H.  
Commissioners.